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COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEE ON TRADE
SUBCOMMITTEE ON SOCIAL SECURITY

DEMOCRATIC STEERING AND POLICY COMMITTEE

Congress of the United States House of Representatives

May 21, 2020

The Honorable Tammy L. Whitcomb Inspector General United States Postal Service 1735 N. Lynn Street Arlington, VA 22209

Dear Ms. Whitcomb:

I write to request an investigation by the United States Postal Service ("USPS") Office of the Inspector General ("OIG") to determine whether undue political interference played a role in the resignations of Governor David C. Williams and Deputy Postmaster General Ronald Stroman. ¹² Potential political interference in the operations of USPS by the Trump administration would be more than troubling and should be reviewed by your office. Recent actions raise serious questions about the commitment of the Trump administration to provide reliable postal service in the United States.

The Coronavirus Aid, Relief, and Economic Security ("CARES") Act that was signed into law on March 27, 2020 authorizes the USPS to borrow up to \$10 billion from the Department of the Treasury for operating expenses amidst the COVID-19 pandemic.³ On April 9, 2020, then-Postmaster General Megan Brennan informed the House Committee on Oversight and Reform that USPS stood to lose \$13 billion in Fiscal Year 2020 due to the economic downturn resulting from the pandemic, and that the agency would become insolvent before September 30, 2020.⁴ Accordingly, the USPS Board of Governors ("the Board") made a request to Congress for a \$75 billion in relief.⁵

Donald Trump has stated that he will not sign any legislation with relief funds for USPS unless "they raised the price of a package by approximately four times" and further stated that he would not authorize Secretary of the Treasury Steven Mnuchin to "do anything" without such a price increase.⁶ With the USPS set to run out of money, the postal service sought the \$10 billion in assistance authorized by the CARES Act. However, this loan is still being withheld by Secretary Mnuchin, who is reportedly following through on Trump's order not to authorize the loan without concessions by USPS, including raising rates.⁷

 $^{^{1} \}underline{\text{https://www.prc.gov/docs/}113/113076/2020\%2005-04\%20Form\%208-K.pdf}$

 $[\]frac{1}{2} \underline{\text{https://www.commondreams.org/news/2020/05/13/vote-mail-under-existential-threat-top-us-postal-service-official-reportedly-forced} \\ \underline{\text{https://www.commondreams.org/news/2020/05/13/vote-mail-under-existential-threat-t$

³ Public Law No: 116-136

⁴ https://www.govexec.com/management/2020/04/usps-requests-75b-emergency-funds-keep-agency-alive/164506/

 $[\]frac{5}{\text{https://oversight.house.gov/news/press-releases/postmaster-general-warns-committee-of-dire-consequences-without-congressional}$

⁶ https://www.politico.com/news/2020/04/24/trump-us-postal-service-coronavirus-bailout-206851

https://www.washingtonpost.com/business/2020/04/11/post-office-bailout-trump/

It has been reported that the resignation of Governor David Williams on April 30, 2020 was in protest of the Treasury Department attempting to interfere in the business operations of USPS. Raising rates requires the authorization of the Board, who are bound by statute to "represent the public interest generally." Raising rates could leave the postal service uncompetitive with the private sector and accelerate the insolvency of the postal service.

On May 8, 2020, Deputy Postmaster General Ronald Stroman, who served as the de facto point person on vote-by-mail ("VBM") and elections issues, reportedly resigned under pressure from the Trump administration. Trump has asked congressional Republicans to "fight very hard" against expanding VBM for elections which can allow for safer voting amidst the COVID-19 pandemic. The USPS is critical to existing local and statewide VBM elections. USPSs solvency is necessary to successfully facilitate VBM for elections during many upcoming primary and general elections, including the next national election on November 3, 2020 on which Donald Trump is a candidate.

With the resignations of Mr. Williams and Mr. Stroman, the Board will soon be completely composed of nominees of Donald Trump and have only one Democratic member, which is in contravention of congressional intent to maintain a partisan balance. ¹³ Should the Board take any action to impede VBM for elections or put the USPS at greater risk for financial calamity as a result of political pressure, it would be in violation of their statutory responsibility to represent the public interest. The resignations of Mr. Williams and Mr. Stroman suggest undue political influence.

Any attempts to sabotage postal operations or unduly influence the Board, especially by the Trump administration, would be an affront to the American people and undermine the USPS operations that account for 47 percent of the world's mail.

I ask you investigate the circumstances surrounding the resignations of Mr. Williams and Mr. Stroman. Further, I implore you to investigate and make public any pertinent communications between the Trump administration, Treasury Department, and USPS officials related to terms of the \$10 billion line of credit authorized under the CARES Act or VBM elections. Thank you for your immediate attention to this request.

Sincerely,

Bill Pascrell, Jr.

Member of Congress

Bill Pascrell Jr

⁸ https://prospect.org/coronavirus/unsanitized-war-on-the-postal-service-continues/

⁹ https://www.law.cornell.edu/uscode/text/39/202

¹⁰ https://www.commondreams.org/news/2020/05/13/vote-mail-under-existential-threat-top-us-postal-service-official-reportedly-forced

https://www.politico.com/news/2020/04/08/trump-voting-by-mail-174695

https://www.eac.gov/election-officials/voting-by-mail-absentee-voting

https://www.law.cornell.edu/uscode/text/39/202